

## FACT SHEET: The hiring freeze instituted by President Trump's presidential memorandum will not save the government money – it will only hurt American families.

- President Trump's executive order will cost Americans jobs across the country.
- This freeze could deny or cause delays for Americans who want to access the government benefits and services they deserve.
- This hiring freeze will cost taxpayers because agencies will need to contract out federal work, which can cost more and delay services to Americans.

**Background:** President Trump's presidential memorandum ordered a 90-day freeze on the hiring of Federal civilian employees across all executive departments and agencies. Specifically, the memo blocked managers from filling existing vacancies or creating new positions, except in limited circumstances. The memo also calls for a long-term plan to reduce the size of the Federal government's workforce. [Presidential memorandum, 1/23/17]

## President Trump's executive order will cost Americans jobs across the country.

Instead of creating jobs, President Trump is making finding jobs for tens of thousands of Americans harder. The freeze will prevent an estimated 15,000-30,000 new job opportunities from being fulfilled, and that number could rise to as high as 75,000 in a year if the freeze is extended. [The Atlantic, 2/9/17]

- **Veterans will suffer the most.** Nearly one-third of all newly hired federal employees are military veterans, who receive hiring preferences in the federal government. In fiscal year 2015, the federal government hired more than 71,800 veterans, including roughly 31,600 disabled veterans. [The Hill, 1/27/17]
- The hiring freeze will have the greatest impact on local communities. About 85 percent of federal employees or 780,000 workers are located outside the Washington, D.C. area. These civilian employees work as police officers, mechanics, lawyers, correctional officers, nurses, and mine inspectors, among other jobs, and will be forced to do the work of several people as openings go unfilled. [U.S. Office of Personnel Management, Federal Executive Boards Overview; The Atlantic, 2/9/17; American Federation of Government Employees]
  - For example, in FY 2015 there were over 131,000 full-time federal workers employed in Texas, 48,000 employed in Ohio, and 27,000 employed in Michigan. For the number of federal employees in your state, click <a href="here">here</a>. [Office of Personnel Management, 6/16]

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The hiring freeze could cause a delay in Social Security benefits, less clean water, and increase the risk of food contamination. President Trump's hiring freeze "will mean longer lines at Social Security offices, fewer workplace safety inspections, less oversight of environmental polluters, and greater risk to our nation's food supply and clean water systems." [American Federation of Government Employees, 1/23/17]

The freeze will likely increase the backlog of veterans' disability claims and wait times for medical care. Despite the 500,000 military veterans who currently wait longer than a month for appointments with the Department of Veterans Affairs, Trump's executive order impacts the Department's ability to fill more than 2,000 job openings, including hundreds of positions for nurses and doctors. [USA Today, 1/24/17]

The freeze could increase costs to our government by allowing more revenue and debts to go uncollected. The 1982 GAO report also report also concluded that hiring freezes "caused decreased oversight of Federal programs…lost revenue and uncollected debts…increased the cost of Government operations…and disrupted some agency programs and operations." [GAO, 3/10/82]

Even federal managers – the people responsible for implementing President Trump's hiring freeze – oppose the President's plan. At a recent Senate Homeland Security and Governmental Affairs subcommittee hearing, federal managers with extensive experience overseeing civil servants explained why the freeze was ineffective and detrimental:

- Federal Managers Association President Renee M. Johnson: "FMA steadfastly opposes any blind, arbitrary plans to cut the federal workforce. ... Managers need the tools that enable them to achieve their goals of ensuring national security, public safety, and each American's quality of life. ... The American taxpayer would be better served with improvements to the workforce, not blind cuts. All federal agencies should be allowed to match hiring actions that align with essential mission and funding." [Washington Post, 2/10/17]
- **Senior Executives Association President Bill Valdez**: "SEA has concerns that the freeze, coupled with negative views of federal workers in recent years in Congress and the press, will have a chilling effect on the ability of the federal government to attract and recruit talent it needs, particularly from veterans, millennials including students graduating college this spring, and to fill mission critical skills gaps." [Washington Post, 2/10/17]

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**The federal workforce has not grown in decades and, as a percentage of the all employment, it's been** *shrinking.* The absolute size of the federal workforce has been stagnant for over 50 years. The executive branch has employed about 2 million federal works since John F. Kennedy was president. In fact, as the country has grown, the percentage of American workers employed by the federal government has fallen from 5 percent to 2 percent in the past 60 years. [Washington Post, 4/21/16; Politico, 1/24/17]

The freeze will likely force agencies to hire private contractors as a substitute for federal employees, resulting in higher costs for taxpayers.

- According to the Project on Government Oversight, from 1999 to 2005 the contractor
  workforce increased from an estimated 4.4 million to 7.6 million. Overall, contractors
  were paid roughly twice as much as federal workers would have been paid for
  the same work. [Project on Government Oversight, 2011 Study].
- According to the nonpartisan Congressional Budget Office, **federal agencies spent** over \$500 billion in 2012 for contracted products and services. [CBO, 3/11/15]

In 1982, the nonpartisan Government Accountability Office examined federal hiring freezes and concluded that, "Government-wide hiring freezes have not been an effective means of controlling Federal employment...and in some cases, increased costs to government." [GAO, 3/10/82]